

EXECUTIVE SUMMARY - ENFORCEMENT MATTER
DOCKET NO.: 2006-1533-AIR-E TCEQ ID: RN102553336 CASE NO.: 31056
RESPONDENT NAME: EXXONMOBIL OIL CORPORATION

Page 1 of 3

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: 13300 West Port Arthur Road, Beaumont, Jefferson County</p> <p>TYPE OF OPERATION: Petroleum storage tank farm</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. As of October 22, 2008, there is one additional pending enforcement action regarding this facility location. (2008-1475-AIR-E)</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on November 10, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST:</p> <p style="margin-left: 40px;">TCEQ Attorney: Mr. Alfred Oloko, Litigation Division, MC R-12, (713) 422-8918 Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019</p> <p style="margin-left: 40px;">SEP Coordinator: Ms. Sharon Blue, Litigation Division, MC 175, (512) 239-2223</p> <p style="margin-left: 40px;">TCEQ Enforcement Coordinator: Mr. Terry Murphy, Air Enforcement Section, MC 149, (512) 239-5025</p> <p style="margin-left: 40px;">TCEQ Regional Contact: Ms. Heather Ross, Beaumont Regional Office, MC R-10, (409) 898-3838</p> <p style="margin-left: 40px;">Respondent: Mr. Daniel A. Risso, Agent, ExxonMobil Oil Corporation, 701 Brazos Street, Suite 1050, Austin, Texas 78701</p> <p style="margin-left: 40px;">Respondent's Attorney: Ms. Patricia F. Shenefelt, Refinery Attorney, ExxonMobil Oil Corporation, 1795 Burt Street, Beaumont, Texas 77704-3311</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: July 24, 2006</p> <p>Date of NOE Relating to this Case: August 25, 2006</p> <p>Background Facts: The EDPRP in this case was filed on June 13, 2007. The Respondent filed an answer and the case was referred to SOAH. The parties reached a settlement and the Respondent signed an Agreed Order on July 16, 2008. TCEQ received the check for the penalty payment on August 25, 2008 and filed a motion for remand with SOAH on August 26, 2008.</p> <p>Current Compliance Status: The Respondent has completed all the Corrective Action since the date the Agreed Order was signed.</p> <p>AIR:</p> <p>1. Failed to provide the proper surface coating to storage tanks in volatile organic compounds (VOC) service [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); NSR Air Permit No. 49131, Special Condition (SC) 6F; Federal Operating Permit (FOP) O-02715, SC 7A; and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2. Failed to conduct timely inspections on storage tanks in VOC service [30 TEX. ADMIN. CODE § 113.230, 115.114(a)(1), 115.114(a)(4), and 122.143(4); FOP O-02715, General Terms and Conditions (GTC), and SCs 1A and 1D; Code of Federal Regulations (CFR) § 63.425(d); and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$55,200</p> <p>Total Deferred: \$27,600</p> <p><input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay <input checked="" type="checkbox"/> SEP Conditional Offset</p> <p>Total Paid to General Revenue: \$27,600</p> <p>The Respondent has paid \$27,600 of the administrative penalty. The remaining amount of \$27,600 shall be offset by the Respondent's completion of a Supplemental Environmental Project (SEP).</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Action Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following in response to this enforcement action:</p> <ol style="list-style-type: none"> 1. Conducted annual inspections on Tank 3001 on April 7, 2006 and on Tanks 3007 and 3008 in July 2006; 2. Removed Tank 3006 from service as volatile organic compounds ("VOC") storage tank in November 2005; and 3. Has claimed authorization for throughput and emissions increases for Tanks 3004, 3005, and 3009. <p>Ordering Provisions:</p> <p>The Respondent shall undertake the following technical requirements:</p> <p>Within 30 days, submit written certification that:</p> <ol style="list-style-type: none"> a. All of the uninsulated exterior surfaces of storage tanks in volatile organic compounds (VOC) service have been painted white or aluminum; and b. Improvements have been implemented for procedures that address the failure to timely inspect tanks; and c. It has submitted a corrected semiannual deviation report for the period August 2, 2005 to January 31, 2006, the missing deviation report for the period February 8 to August 2, 2005, and corrected Annual Compliance Certification for the period ending January 31, 2006.

RESPONDENT NAME: EXXONMOBIL OIL CORPORATION
DOCKET NO.: 2006-1533-AIR-E

Page 3 of 3

3. Failed to timely submit a Permit by Rule registration form [30 TEX. ADMIN. CODE §§ 106.261(a)(7) and 122.143(4); FOP O-02715, SC 7, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to report deviations in a semiannual report, failed to submit a semiannual deviation report, and failed to properly certify an Annual Compliance Certification [30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2)(A), 122.145(2)(B), and 122.146(1); FOP O-02715, GTC and SC 9, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	EXXONMOBIL OIL CORPORATION
Penalty Amount:	Fifty-five thousand two hundred dollars (\$55,200)
SEP Amount:	Twenty-seven thousand six hundred dollars (\$27,600)
Type of SEP:	Pre-approved
Third-Party Recipient:	<i>Jefferson County – Retrofit/Replace Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles Project</i>
Location of SEP:	Jefferson County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Amount to the Third-Party Recipient named above. The contribution will be to *Jefferson County* for the *Retrofit/Replace Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles Project* in Jefferson County as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP funds will be used for purchase of alternative fueled equipment such as propane or electric powered lawn mowers, propane-powered light duty and heavy equipment, and alternative fueled vehicles, and retirement of diesel and gasoline powered equipment and vehicles. The retired vehicles and equipment will not be resold as working vehicles, but will only be sold for scrap. The County will also use SEP monies to convert current equipment and vehicles to alternative fueled equipment and vehicles and to retrofit current gasoline and diesel powered equipment in order to lower emissions. All retrofits will meet EPA standards. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing air emissions generated by gasoline- and diesel-powered lawnmowers, heavy equipment, and other vehicles in the Beaumont/Port Arthur ozone non-attainment area. Such emissions contribute to ozone pollution in this state.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. **Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the final Agreed Order with the contribution to:

Jefferson County Government
Attention: The Honorable Ron Walker, Jefferson County Judge
Retrofit Vehicles SEP
1149 Pearl Street 4th Floor
Beaumont, Texas 77701

3. **Records and Reporting**

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. **Failure to Fully Perform**

If Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision April 25, 2006

DATES	Assigned	28-Aug-2006	Screening	06-Sep-2006	EPA Due	06-Jul-2007
	PCW	08-Apr-2008				

RESPONDENT/FACILITY INFORMATION			
Respondent	ExxonMobil Oil Corporation		
Reg. Ent. Ref. No.	RN102553336		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major Source

CASE INFORMATION			
Enf./Case ID No.	31056	No. of Violations	4
Docket No.	2006-1533-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Terry Murphy
Multi-Media		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** \$46,000
ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 20% Enhancement **Subtotals 2, 3, & 7** \$9,200

Notes: The penalty is enhanced by one 1660-style agreed order.

Culpability No 0% Enhancement **Subtotal 4** \$0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply 0% Reduction **Subtotal 5** \$0

Extraordinary	Before NOV	NOV to EDPRP/Settlement Offer
Ordinary		
N/A	X	(mark with a small x)

Notes: The Respondent does not meet the good faith criteria.

Economic Benefit 0% Enhancement* **Subtotal 6** \$0

Total EB Amounts	\$1,059
Approx. Cost of Compliance	\$8,600

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** \$55,200
OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment** \$0

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes:

Final Penalty Amount \$55,200

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** \$55,200
DEFERRAL 0% Reduction **Adjustment** \$0

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: No deferral offered, since settlement was not expedited.

PAYABLE PENALTY **\$55,200**

Screening Date 06-Sep-2006**Docket No.** 2006-1533-AIR-E**PCW****Respondent** ExxonMobil Oil Corporation

Policy Revision 2 (September 2002)

Case ID No. 31056

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN102553336**Media [Statute]** Air Quality**Enf. Coordinator** Terry Murphy**Compliance History Worksheet**>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Other	Please Enter Yes or No		
	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 20%>> **Repeat Violator (Subtotal 3)**No **Adjustment Percentage (Subtotal 3)** 0%>> **Compliance History Person Classification (Subtotal 7)**Average Performer **Adjustment Percentage (Subtotal 7)** 0%>> **Compliance History Summary****Compliance History Notes**

The penalty is enhanced by one 1660-style agreed order.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 20%

Screening Date 06-Sep-2006

Docket No. 2006-1533-AIR-E

PCW

Respondent ExxonMobil Oil Corporation

Policy Revision 2 (September 2002)

Case ID No. 31056

PCW Revision April 25, 2006

Reg. Ent. Reference No. RN102553336

Media [Statute] Air Quality

Enf. Coordinator Terry Murphy

Violation Number

1

NSR Air Permit No. 49131, Special Condition (SC) 6F, Federal Operating Permit (FOP) O-02715, SC 7A, and 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4)

Primary Rule Cite(s)

Secondary Rule Cite(s)

Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to provide the proper surface coating to storage tanks in volatile organic compounds (VOC) service. Specifically, part of the uninsulated tank exterior surfaces exposed to the sun were not painted white or aluminum on Tanks 3000, 3002, 3005, 3007, 3008, and 3009, as documented during an investigation conducted on July 24, 2006.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential			X	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
					Percent
Matrix Notes	Human health or the environment could be exposed to insignificant amounts of pollutants which would not exceed levels protective of human health or environmental receptors as a result of the violation.				

Adjustment -\$9,000

Base Penalty Subtotal \$1,000

Violation Events

Number of Violation Events 6 6 Number of violation days

mark only one use a small x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$6,000

Six single events are recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$425

Violation Final Penalty Total \$7,200

This violation Final Assessed Penalty (adjusted for limits) \$7,200

Economic Benefit Worksheet

Respondent ExxonMobil Oil Corporation

Case ID No. 31056

Reg. Ent. Reference No. RN102553336

Media [Statute] Air Quality

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)	\$3,000	24-Jul-2006	01-Aug-2008	2.0	\$20	\$405	\$425
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to paint six storage tanks. The Date Required is the date of the investigation, and the Final Date is the date the Respondent is expected to have the tanks appropriately painted.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance **\$3,000****TOTAL** **\$425**

Screening Date 06-Sep-2006	Docket No. 2006-1533-AIR-E	PCW	
Respondent ExxonMobil Oil Corporation	<i>Policy Revision 2 (September 2002)</i>		
Case ID No. 31056	<i>PCW Revision April 25, 2006</i>		
Reg. Ent. Reference No. RN102553336			
Media [Statute] Air Quality			
Enf. Coordinator Terry Murphy			
Violation Number 2			
Primary Rule Cite(s)	FOP O-02715, General Terms and Conditions (GTC), SCs 1A and 1D, 30 Tex. Admin. Code §§ 113.230, 115.114(a)(1), 115.114(a)(4), and 122.143(4), and 40 Code of Federal Regulations (CFR) §§ 63.425(d)		
Secondary Rule Cite(s)	Tex. Health & Safety Code § 382.085(b)		
Violation Description	Failed to conduct timely inspections on storage tanks in VOC service. Specifically, the Respondent failed to perform an annual inspection on Tanks 3001 (due August 2005) and 3007 (due June 2006), and failed to perform semiannual inspections on Tanks 3008 (due November 2005 and June 2006) and 3006 (due August 2005), as documented during an investigation conducted on July 24, 2006.		
Base Penalty		\$10,000	
>> Environmental, Property and Human Health Matrix			
Harm			
Release	Major	Moderate	Minor
Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Potential	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Percent		25%	
>> Programmatic Matrix			
Falsification	Major	Moderate	Minor
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Percent		<input type="text"/>	
Matrix Notes	Human health or the environment could be exposed to significant amounts of pollutants which would not exceed levels protective of human health or environmental receptors as a result of the violation.		
Adjustment		-\$7,500	
Base Penalty Subtotal		\$2,500	
Violation Events			
Number of Violation Events		5	Number of violation days
		5	
mark only one use a small x	daily	<input type="checkbox"/>	Violation Base Penalty
	monthly	<input type="checkbox"/>	
	quarterly	<input type="checkbox"/>	
	semiannual	<input type="checkbox"/>	
	annual	<input type="checkbox"/>	
single event	<input checked="" type="checkbox"/>		
Five single events are recommended.			
Economic Benefit (EB) for this violation		Statutory Limit Test	
Estimated EB Amount \$215		Violation Final Penalty Total \$15,000	
This violation Final Assessed Penalty (adjusted for limits)		\$15,000	

Economic Benefit Worksheet

Respondent ExxonMobil Oil Corporation

Case ID No. 31056

Reg. Ent. Reference No. RN102553336

Media [Statute] Air Quality

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Procedure Revision	\$1,000	31-Aug-2005	01-Aug-2008	2.9	\$10	\$195	\$204
Tank 3001 Inspection	\$200	31-Aug-2005	07-Apr-2006	0.6	\$0	\$8	\$8
Tank 3007 Inspection	\$200	30-Jun-2006	31-Jul-2006	0.1	\$1	n/a	\$1
Tank 3008 Inspection	\$200	31-May-2006	31-Jul-2006	0.2	\$2	n/a	\$2
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to revise tank seal visual inspection procedures and resume timely inspections. The Date Required for the tanks is the date the tank was due to have been inspected, and the Final Date is the date the Respondent resumed the annual or semiannual inspecting of a tank (Tanks 3001, 3007, and 3008). The Date Required for the procedures revision is the date the first tank should have been inspected, and the Final Date is when the improved procedures should be in place. The Respondent reported on August 10, 2006 that Tank 3006 has been out of service since November 2005.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance **\$1,600****TOTAL** **\$215**

Screening Date 06-Sep-2006	Docket No. 2006-1533-AIR-E	PCW	
Respondent ExxonMobil Oil Corporation	<i>Policy Revision 2 (September 2002)</i>		
Case ID No. 31056	<i>PCW Revision April 25, 2006</i>		
Reg. Ent. Reference No. RN102553336			
Media [Statute] Air Quality			
Enf. Coordinator Terry Murphy			
Violation Number <input type="text" value="3"/>			
Primary Rule Cite(s)	<input type="text" value="FOP O-02715, SC 7, and 30 Tex. Admin. Code §§ 106.261(a)(7) and 122.143(4)"/>		
Secondary Rule Cite(s)	<input type="text" value="Tex. Health & Safety Code § 382.085(b)"/>		
Violation Description	<input type="text" value="Failed to timely submit a Permit by Rule registration form. Specifically, beginning December 2004, for Tank 3009, and beginning July 2005 for Tanks 3004 and 3005, the Respondent increased the 12-month rolling throughput limit, but did not register those changes until September 26, 2006. The registration was required, at the latest, by March 31, 2005 for Tank 3009 and by March 31, 2006 for Tanks 3004 and 3005, as documented during an investigation conducted on July 24, 2006."/>		
Base Penalty		<input type="text" value="\$10,000"/>	
>> Environmental, Property and Human Health Matrix			
Harm			
Release	Major	Moderate	Minor
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
Percent		<input type="text"/>	
>> Programmatic Matrix			
Falsification	Major	Moderate	Minor
<input type="text"/>	X	<input type="text"/>	<input type="text"/>
Percent		<input type="text" value="25%"/>	
Matrix Notes	<input type="text" value="Failed to comply with 100% of the requirement."/>		
Adjustment		<input type="text" value="-\$7,500"/>	
Base Penalty Subtotal		<input type="text" value="\$2,500"/>	
Violation Events			
Number of Violation Events		<input type="text" value="8"/>	Number of violation days
		<input type="text" value="524"/>	
mark only one use a small x	daily	<input type="text"/>	Violation Base Penalty
	monthly	<input type="text"/>	
	quarterly	X	
	semiannual	<input type="text"/>	
	annual	<input type="text"/>	
	single event	<input type="text"/>	
<input type="text" value="Eight quarterly events are recommended, six for Tank 3009 from March 31, 2005 to the enforcement screening date (September 6, 2006) and two for Tanks 3004 and 3005 from March 31, 2006 to the enforcement screening date."/>			
Economic Benefit (EB) for this violation		Statutory Limit Test	
Estimated EB Amount		<input type="text" value="\$273"/>	Violation Final Penalty Total
			<input type="text" value="\$24,000"/>
This violation Final Assessed Penalty (adjusted for limits)			<input type="text" value="\$24,000"/>

Economic Benefit Worksheet

Respondent ExxonMobil Oil Corporation

Case ID No. 31056

Reg. Ent. Reference No. RN102553336

Media [Statute] Air Quality

Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost No commas or \$	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs	\$3,000	01-Dec-2004	26-Sep-2006	1.8	\$273	n/a	\$273
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to prepare and submit documentation to claim tank throughput increases under Permit by Rule. The Date Required is the date of the first unauthorized throughput increase, and the Final Date is the date the Respondent submitted a Permit by Rule registration.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance **\$3,000****TOTAL** **\$273**

Screening Date 06-Sep-2006	Docket No. 2006-1533-AIR-E	PCW
Respondent ExxonMobil Oil Corporation	<i>Policy Revision 2 (September 2002)</i>	
Case ID No. 31056	<i>PCW Revision April 25, 2006</i>	
Reg. Ent. Reference No. RN102553336		
Media [Statute] Air Quality		
Enf. Coordinator Terry Murphy		
Violation Number <input type="text" value="4"/>		
Primary Rule Cite(s)	FOP O-02715, GTC and SC 9 and 30 Tex. Admin. Code §§ 122.143(4), 122.145(2)(A), 122.145(2)(B), and 122.146(1)	
Secondary Rule Cite(s)	Tex. Health & Safety Code § 382.085(b)	
Violation Description	Failed to report deviations in a semiannual report, failed to submit a semiannual deviation report, and failed to properly certify an Annual Compliance Certification. Specifically, the Respondent reported only one of four deviations in its semiannual deviation report for the period August 2, 2005 to January 31, 2006, failed to submit any deviation report at all for the period February 8 to August 2, 2005 (four deviations occurred during that period), and failed to acknowledge the unreported deviations in its Annual Compliance Certification for the period ending January 31, 2006, as documented during an investigation conducted on July 24, 2006.	
Base Penalty		<input type="text" value="\$10,000"/>

>> **Environmental, Property and Human Health Matrix**

		Harm			
	Release	Major	Moderate	Minor	
OR	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input checked="" type="text" value="X"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="25%"/>

Matrix Notes

The Respondent failed to comply with 100% of the rules.

Adjustment **Base Penalty Subtotal** **Violation Events**Number of Violation Events Number of violation days

mark only one use a small x	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="text" value="X"/>

Violation Base Penalty

Three single events are recommended.

Economic Benefit (EB) for this violation**Statutory Limit Test****Estimated EB Amount** **Violation Final Penalty Total** **This violation Final Assessed Penalty (adjusted for limits)**

Economic Benefit Worksheet

Respondent ExxonMobil Oil Corporation

Case ID No. 31056

Reg. Ent. Reference No. RN102553336

Media [Statute] Air Quality

Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

No commas or \$

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System	\$1,000	02-Sep-2005	01-Aug-2008	2.9	\$146	n/a	\$146
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to prepare and submit corrected annual compliance certification and missing and corrected semi-annual deviation reports. The Date Required is the date the first report was due, and the Final Date is the date the Respondent is expected to have submitted all of the corrected/missing reports.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance **\$1,000****TOTAL** **\$146**

Compliance History

Customer/Respondent/Owner-Operator: CN600920748 ExxonMobil Oil Corporation Classification: AVERAGE Rating: 2.63
 Regulated Entity: RN102553336 COLONIAL STORAGE FACILITY Classification: AVERAGE Site Rating: 18.89

ID Number(s): AIR NEW SOURCE PERMITS PERMIT 49131
 AIR NEW SOURCE PERMITS ACCOUNT NUMBER JE0149F
 AIR NEW SOURCE PERMITS AFS NUM 0079
 AIR OPERATING PERMITS PERMIT JE0149F
 AIR OPERATING PERMITS ACCOUNT NUMBER JE0149F
 AIR OPERATING PERMITS PERMIT 2715

Location: 13300 West Port Arthur Road, Beaumont, TX, 77705 Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 10 - BEAUMONT

Date Compliance History Prepared: September 06, 2006

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: September 06, 2001 to September 06, 2006

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Terry Murphy Phone: (512) 239-5025

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 08/30/2004

1660-style Admin. Order 2003-1234-AIR-E

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(1)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 99, General Condition 7F PERMIT

Description: Failure to monitor 74 components in VOC service on a quarterly basis during the reporting period of February 9, 2002 to August 8, 2002.

Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.230
 30 TAC Chapter 116, SubChapter H 116.814(a)
 5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: 49131, Special Condition 5A PERMIT

Description: Failure to conduct monthly visual, audible and/or olfactory inspections within the operating area and on all equipment in gasoline service.

Classification: Major

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit a deviation report for failure to conduct monthly inspections as required.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

- 1 06/25/2003 (61579)
- 2 12/19/2003 (257510)
- 3 10/08/2004 (335850)
- 4 08/21/2002 (7777)
- 5 02/05/2002 (87193)
- 6 02/05/2002 (87194)
- 7 08/17/2005 (403669)
- 8 05/03/2002 (87195)
- 9 09/26/2002 (8361)
- 10 08/25/2006 (509124)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

N/A

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING EXXONMOBIL
OIL CORPORATION;
RN102553336

§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2006-1533-AIR-E I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding ExxonMobil Oil Corporation ("ExxonMobil") under the authority of TEX. WATER CODE ch. 7 and TEX. HEALTH & SAFETY CODE ch. 382. The Executive Director of the TCEQ, represented by the Litigation Division, and ExxonMobil represented by Patricia Shenefelt, Attorney, ExxonMobil Oil Corporation, appear before the Commission and together stipulate that:

1. ExxonMobil owns and operates a petroleum storage tank farm located at 13300 West Port Arthur Road, Beaumont, Jefferson County, Texas (the "Plant").
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and TCEQ rules.
3. The Commission and ExxonMobil agree that the Commission has jurisdiction to enter this Agreed Order, and that ExxonMobil is subject to the Commission's jurisdiction.
4. ExxonMobil received notice of the violations alleged in Section II ("Allegations") on or about on or about August 30, 2006.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by ExxonMobil of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of fifty-five thousand two hundred dollars (\$55,200.00) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Exxon Mobil has paid twenty-seven thousand six hundred dollars

(\$27,600.00) of the administrative penalty. Exxon Mobil shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. Twenty-seven thousand six hundred dollars (\$27,600.00) of the assessed administrative penalty shall be offset with the condition that Exxon Mobil implement the SEP defined in Attachment A, incorporated herein by reference. Exxon Mobil's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and ExxonMobil have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that ExxonMobil has implemented the following corrective measures at the Plant in response to this enforcement action:
 - a. Conducted annual inspections on Tank 3001 on April 7, 2006 and on Tanks 3007 and 3008 in July 2006;
 - b. Removed Tank 3006 from service as volatile organic compounds ("VOC") storage tank in November 2005; and
 - c. Has claimed authorization for throughput and emissions increases for Tanks 3004, 3005, and 3009 under 30 TEX. ADMIN. CODE § 106.261.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Exxon Mobil has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

ExxonMobil is alleged to have violated:

1. 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); NSR Air Permit No. 49131, Special Condition (SC) 6F; Federal Operating Permit (FOP) O-02715, SC 7A; and TEX. HEALTH &

- SAFETY CODE § 382.085(b) by failing to provide the proper surface coating to storage tanks in volatile organic compounds (VOC) service as documented on July 24, 2006. Specifically, part of the uninsulated tank exterior surfaces exposed to the sun were not painted white or aluminum on Tanks 3000, 3002, 3005, 3007, 3008, and 3009.
2. 30 TEX. ADMIN. CODE §§ 113.230, 115.114(a)(1), 115.114(a)(4), and 122.143(4); FOP O-02715, General Terms and Conditions (GTC) and SCs 1A and 1D; Code of Federal Regulations (CFR) § 63.425(d); and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to conduct timely inspections on storage tanks in VOC service as documented on July 24, 2006. Specifically, ExxonMobil failed to perform an annual inspection on Tanks 3001 (due August 2005) and 3007 (due June 2006), and failed to perform semiannual inspections on Tanks 3008 (due November 2005 and June 2006) and 3008 (due August 2005).
 3. 30 TEX. ADMIN. CODE §§ 106.261(a)(7) and 122.143(4); FOP O-02715, SC 7, and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to timely submit a Permit by Rule registration form as documented on July 24, 2006. Specifically, beginning December 2004, for Tank 3009, and beginning July 2005, for Tanks 3004 and 3005, ExxonMobil increased the 12-month rolling throughput limit, but did not register those changes until September 26, 2006. The registration was required, at the latest, by March 31, 2005 for Tank 3009 and by March 31, 2006 for Tanks 3004 and 3005.
 4. 30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2)(A), 122.145(2)(B), and 122.146(1); FOP O-02715, GTC and SC 9, and TEX. HEALTH & SAFETY CODE § 382.085(b) by failing to report deviations in a semiannual report, by failing to submit a semiannual deviation report, and by failing to properly certify an Annual Compliance Certification as documented on July 24, 2006. Specifically, ExxonMobil reported only one of four deviations in its semiannual deviation report for the period August 2, 2005 to January 31, 2006; failed to submit any deviation report at all for the period February 8 to August 2, 2005 (four deviations occurred during that period); and failed to acknowledge the unreported deviations in its Annual Compliance Certification for the period ending January 31, 2006.

III. DENIALS

Exxon Mobil generally denies each allegation in Section II ("Allegations").

IV. ORDER

1. It is, therefore, ordered by the TCEQ that Exxon Mobil pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Exxon Mobil's compliance with all the terms and conditions set forth in this Agreed Order resolve

only the allegations in Section II. The Commission shall not be constrained in any manner from considering or requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: ExxonMobil Oil Corporation, Docket No. 2006-1533-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. Within 30 days after the effective date of this Agreed Order, ExxonMobil shall submit written certification that:
 - a. All of the uninsulated exterior surfaces of storage tanks in volatile organic compounds (VOC) service have been painted white or aluminum, or will be painted white or aluminum before being put into service;
 - b. Improvements have been implemented for procedures that address the failure to timely inspect tanks;
 - c. It has submitted a corrected semiannual deviation report for the period August 2, 2005 to January 31, 2006, the missing deviation report for the period February 8 to August 2, 2005, and corrected Annual Compliance Certification for the period ending January 31, 2006.

The certification required by this Ordering Provision shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance, be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

And ExxonMobil shall submit the written certification required by this Ordering Provision to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

and

Manager, Air Section Manager
Texas Commission on Environmental Quality
Beaumont Regional Office
3870 Eastex Freeway
Beaumont, Texas 77703-1892

3. The provisions of this Agreed Order shall apply to and be binding upon ExxonMobil. ExxonMobil is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If ExxonMobil fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, ExxonMobil's failure to comply is not a violation of this Agreed Order. ExxonMobil shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. ExxonMobil shall notify the Executive Director within seven days after ExxonMobil becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by ExxonMobil shall be made in writing to the Executive Director. Extensions are not effective until ExxonMobil receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against ExxonMobil in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be

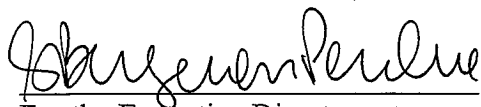
transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

8. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to ExxonMobil, or three days after the date on which the Commission mails notice of the Order to ExxonMobil, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

10/19/08

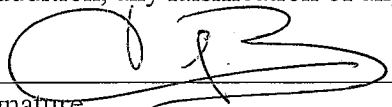
Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

7/16/08

Date

Daniel A. Rizzo

Name (Printed or typed)
Authorized representative of
ExxonMobil Oil Corporation

Agent - Attorney in Fact

Title

Attachment A
Docket Number: 2006-1533-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	EXXONMOBIL OIL CORPORATION
Penalty Amount:	Fifty-five thousand two hundred dollars (\$55,200)
SEP Amount:	Twenty-seven thousand six hundred dollars (\$27,600)
Type of SEP:	Pre-approved
Third-Party Recipient:	<i>Jefferson County – Retrofit/Replace Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles Project</i>
Location of SEP:	Jefferson County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Amount to the Third-Party Recipient named above. The contribution will be to *Jefferson County* for the *Retrofit/Replace Heavy Equipment and Vehicles with Alternative Fueled Equipment and Vehicles Project* in Jefferson County as set forth in an agreement between the Third-Party Recipient and the TCEQ. SEP funds will be used for purchase of alternative fueled equipment such as propane or electric powered lawn mowers, propane-powered light duty and heavy equipment, and alternative fueled vehicles, and retirement of diesel and gasoline powered equipment and vehicles. The retired vehicles and equipment will not be resold as working vehicles, but will only be sold for scrap. The County will also use SEP monies to convert current equipment and vehicles to alternative fueled equipment and vehicles and to retrofit current gasoline and diesel powered equipment in order to lower emissions. All retrofits will meet EPA standards. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing air emissions generated by gasoline- and diesel-powered lawnmowers, heavy equipment, and other vehicles in the Beaumont/Port Arthur ozone non-attainment area. Such emissions contribute to ozone pollution in this state.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the final Agreed Order with the contribution to:

Jefferson County Government
Attention: The Honorable Ron Walker, Jefferson County Judge
Retrofit Vehicles SEP
1149 Pearl Street 4th Floor
Beaumont, Texas 77701

3. Records and Reporting

Concurrent with the payment of the SEP Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.